

REMARKS

In the Office Action dated May 9, 2002, the Examiner issued a restriction requirement, rejected claims 2-7 and 10-12 as being indefinite under 35 U.S.C. § 112, second paragraph, rejected claims 1-3, 8-11, and 13-14 as being obvious over Nymeyer (U.S. Patent No. 3,581,072) in view of Fernholtz (U.S. Patent No. 5,819,238), and rejected claims 4-7 and 12 as being obvious over Nymeyer in view of Fernholtz, and further in view of Stein et al. (U.S. Patent No. 5,826,241). These rejections are respectfully traversed and reconsideration is requested as explained below. With regard to the restriction requirement, the applicants hereby affirm their election of claims 1-14 (Group I) with traverse.

Claims 2, 10 and 15-41 are cancelled herein, and claims 3-5, 7 and 11 are amended herein, without admission and without prejudice. No new matter has been added. Claims 1, 3-9 and 11-14 are to remain pending. The applicant reserves the right to pursue the subject matter of the cancelled claims in one or more continuing applications.

The Examiner rejected claims 2-7 and 10-12 as being indefinite under 35 U.S.C. § 112, second paragraph. The Examiner indicates that the term "Hollywood Dollars" is unclear and makes the claims confusing. The Examiner further indicates that, for examination purposes, "Hollywood Dollars" will be interpreted as electronic currency. To expedite prosecution, the applicants have herein cancelled claims 2 and 10, and amended claims 3-5, 7, and 11, without admission and without prejudice, to use the term electronic currency and not "Hollywood Dollars." Therefore, the applicant respectfully requests that the Examiner withdraw the rejection as to claims 3-7 and 11-12 and allow the claims.

The Examiner rejected claims 1-3, 8-11, and 13-14 as being obvious over Nymeyer in view of Fernholtz. Claims 2 and 10 are cancelled herein without admission and without prejudice. The rejection is respectfully traversed as applied to claims 1, 3, 8-9, 11 and 13-14, and reconsideration is requesting in view of the following.

Nymeyer discusses a computer system for determining market prices in an auction market by evaluating buy and sell orders. As disclosed in the Abstract section of Nymeyer, “[t]he prices accompanying the last pair of orders to be matched are then used to establish a trading price. . . .”

Fernholtz discusses an automated securities portfolio management system that issues trades to modify a portfolio. Based on security price information input into the system and utilizing weights and indices calculated from such price information, the system determines and issues what the system calculates to be appropriate market orders for modifying the portfolio.

The Examiner cites Nymeyer, Col. 7, lines 64-74; Abstract, lines 1-3; and Col. 11 Line 68 to Col. 12, line 3. As indicted as follows, each of the cited passages describes a system in which a last pair of orders is utilized in determining a market, or trading, price. A relevant passage from the Abstract section of Nymeyer is cited above. At Col. 7, lines 64-74, Nymeyer discusses a technique for utilizing a last sell price in the determining a market price. With regard to Nymeyer, Col. 11, line 68 to Col. 12, line 3, Nymeyer states, at lines 68-70, “[a]s pointed out above, the ‘at market’ orders are effectively entered in to the computation system at prices determined by the last selling price for the goods.”

Particularly, the Examiner cites Nymeyer, Col. 11 line 68 to Col. 12, line 3 with reference to, “automatically generating additional buy orders or sell orders. . . .” The cited passage discusses

prices at which “at market” orders are effectively entered into the computation system. The “at market” orders are orders *received by the system*. See e.g., Nymeyer, Col. 5, lines 39-40, and Col. 5, lines 64-66.

The Examiner indicates that Nymeyer does not disclose “generating the electronic currency” and “crediting/debiting,” but cites Fernholtz, Col. 12, lines 16-17 in this regard, indicating that Fernholtz discloses the custodial bank holding electronic cash which is distributed for trade purposes. The Examiner further indicates that generating electronic currency and crediting/debiting would have been obvious to one of ordinary skill in the art.

Fernholtz, at Col. 12, lines 16-17, merely indicates that a custodial bank can hold securities and cash in electronic form. Fernholtz indicates that shareholder records can be updated to reflect changes in share ownership and dividend payments to shareholders. See Fernholtz, Col. 11, line 64 to Col. 12, line 17. By disclosing such activities, Fernholtz does not suggest *generating* electronic currency.

For at least the reasons discussed above, neither Nymeyer nor Fernholtz, alone or in combination, disclose or suggest, as set forth in applicants claims 1, 9, and 14, automatically generating additional buy or sell orders for an instrument to guarantee execution of some or all of received buy or sell orders. Additionally, neither Nymeyer nor Fernholtz, alone or in combination, disclose or suggest, as set forth in applicants claims 1, 9, and 14, automatically generating an electronic currency to execute the buy and sell orders.

For at least these reasons, independent claims 1, 9 and 14 are patentable over the cited references. Furthermore, dependent claims 3, 8, 11 and 13, which depend either directly or

indirectly from claims 1 and 9, are also patentable. Therefore, claims 1, 3, 8-9, 11 and 13-14 are patentable over the cited references, and the applicants respectfully request that the Examiner withdraw the rejection as applied to claims 1, 3, 8-9, 11 and 13-14, and allow the claims.

The Examiner rejected claims 4-7 and 12 as being obvious over Nymeyer in view of Fernholtz, and further in view of Stein et al. This rejection is respectfully traversed and reconsideration is requested as explained below.

Nymeyer and Fernholtz have been discussed above. Stein et al. discloses a computerized system for making payments and authenticating transactions over the Internet. As discussed above, neither Nymeyer or Fernholtz disclose or suggest, as set forth in applicants claims 1 and 9, automatically generating additional buy or sell orders for an instrument to guarantee execution of some or all of received buy or sell orders, and Stein et al. does not supply this missing feature. Additionally, as discussed above, neither Nymeyer nor Fernholtz, alone or in combination, disclose or suggest, as set forth in applicants claims 1, and 9, automatically generating an electronic currency to execute the buy and sell orders, and Stein et al. does not supply this missing feature either.

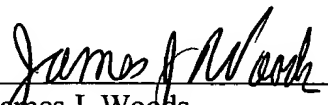
For at least the above reasons, independent claims 1 and 9 are patentable over the cited references. Furthermore, dependent claims 4-7 and 12, which depend either directly or indirectly from claims 1 and 9, are also patentable, and the applicants respectfully request that the Examiner withdraw the rejection and allow the claims.

For all of the above reasons, the applicants respectfully request that the Examiner withdraw all of the rejections, and allowance of all the pending claims is respectfully solicited. To expedite

prosecution of this application to allowance, the examiner is invited to call the applicants' undersigned representative to discuss any issues relating to this application.

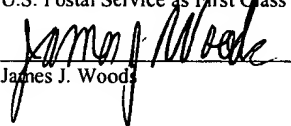
Respectfully submitted,

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9/9/02
Date

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3. (Amended) The method according to claim [2] 1, further comprising exchanging the [Hollywood dollars] electronic currency in the first or second trader's account for desired currency.
4. (Amended) The method according to claim 3, wherein the [Hollywood dollars are] electronic currency is exchanged at a currency exchange web site, and wherein a request for the exchange is transmitted to the currency exchange web site via a secured communication.
5. (Amended) The method according to claim [2] 1, further comprising purchasing goods or services using the [Hollywood dollars] electronic currency in the first or second trader's account, the goods or services being offered for sale by an on-line vendor via a web site on the Internet.
7. (Amended) The method according to claim 5, wherein the vendor debits the first or second trader's account in the [Hollywood dollars] electronic currency for the purchase of goods or services via a secured communication.
11. (Amended) The system according to claim [10] 9, further comprising means for exchanging the [Hollywood dollars] electronic currency in the first or second trader's account for desired currency.

12. (Amended) The system according to claim.[10] 9, further comprising means for purchasing goods or services using the [Hollywood dollars] electronic currency in the first or second trader's account, the goods or services being offered for sale by an on-line vendor via a web site on the Internet.